Recovery of Bank Loans and overdrafts from Aalami Urdu Conference and Priyadarshini Institute

943. SHRI MOHAMMED AFZAL ALIAS NEEM AFZAL : Will the Minister of FINANCE be pleased to state :

(a) what is the amount of loan and overdrafts facility given to 'Aalami Urdu Conference, New Delhi' and 'Priyadarshini Institute' for Computer Aided Knowledge, New Delhi, during the last five years by Bombay Mercantile Cooperative Bank Ltd., New Delhi;

(b) whether these two institutions are regularly paying the dues to the said Bank as was agreed in the terms and conditions of loan and Overdraft facility;

(c) if so, what is the amount of loan paid by these institutions to the said Bank on 31st March, 1993; and

(d) if the answer to part (b) above be in the negative what action has been taken in this regard and total amount of dues as on 31st March, 1993 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) :

(a) to (d) In accordance with the practices and usages customery among banks and financial institutions and in conformity with the provisions of statutes, information relating to individual constituents cannot be divulged.

Loans to Farmers by Agricultural Bank

944. SHRI IQBAL SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the loaning policy of agricultural banks has been simplified by Government;

(b) if so, what are the details thereof; and

(c) what is the maximum credit limit of the loan to the farmer which has been provided for the agricultural porpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) :

(a) and (b) The farmers all over the country are provided loans by public sector banks for the agricultural and allied activities undertaken by them on their own or through any scheme formed by Government in this regard. The financing of such activities by the credit institutions is a part of their normal lending operations on a continued basis. All Indian banks, including public sector banks are required to extend direct finance to Agriculture (including allied activities) to the extent of 18 per cent of their total credit. To facilitate sanctioning of loans to farmers, simplified application forms are also made available in the regional language. Further, banks have been advised that they should dispose of loan applications upto Rs. 25,000/- within a fortnight and those over Rs. 25,000/- within 8-9 weeks. Rural branch managers are delegated with appropriate sanctioning powers so that majority of loan applications from weaker sections are sanctioned at branch level itself.

(c) The amount of loan required for each crop is worked out on the basis of the scale of financial determined by District Technical Committee (DTC) based on the number of areas to be brought under cultivation for the crops. The DTC while fixing the scale of finance takes into account the prevailing cost on various inputs including fertilizers and seeds, nature of soil, availability of water, consumption needs of farmers, cost of labour etc. The scales of finance are revised on continuing basis. The above procedure of financing